

**STATE OF NEW MEXICO
VILLAGE OF ENCINO
Independent Accountants' Report on
Applying Agreed-Upon Procedures
For the Year Ended
June 30, 2011**

**Harshwal & Company LLP
Certified Public Accountants
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STATE OF NEW MEXICO

VILLAGE OF ENCINO

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STATE OF NEW MEXICO

VILLAGE OF ENCINO

OFFICIAL ROSTER

YEAR ENDED JUNE 30, 2011

Name

Title

Board of Directors

John G Phillips III	Mayor
William Murphy	Mayor Pro-Tem
Boyd Herrington	Councilor
Ernie Garcia	Councilor
Frank Padilla	Councilor

Staff

Loretta Chavez	Clerk/Treasurer
Martha Phillips	Maintenance

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To: John G. Phillips III, Mayor
Village of Encino
and
Honorable Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

We have performed the procedures enumerated below which were agreed to by Village of Encino (Village) and New Mexico State Auditor (the specified parties), solely to users in evaluating the Village's financial reporting relating to its Cash, Capital Assets, Revenue, Expenditures, Journal Entries, and Budget information and its compliance with Section 12-6-3B (4) NMSA 1978 and Section 2.2.2.16 NMAC as of and for the year ended June 30, 2011. The Village is responsible for its financial reporting to the State Auditor as described above. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

In accordance with Tier 4 of the Audit Act - Section 12-6-3 B (4) NMSA 1978 and Section 2.2.2.16 NMAC, we performed the following procedures:

1. CASH

Procedures

a) Determine whether bank reconciliations are being performed in a timely manner and whether all bank and investment statements for the fiscal year are complete and on-hand. For purposes of performing our procedures "timely" means completion of the bank reconciliations within one month after the last day of the reporting month and "complete" means that statements for bank and investment accounts are all accounted for by the Village.

b) Perform a random test of bank reconciliations for accuracy. Also, trace ending balances to the general ledger, supporting documentation and the financial reports submitted to DFA-Local Government Division (DFA-LGD). For purposes of performing our procedures "accuracy" means that reconciling items agree to deposit slips and subsequent bank or investment statements.

c) Determine whether the local public body's financial institutions have provided it with the 50% of pledged collateral on all uninsured deposits as required by Section 6-10-17 NMSA 1978, NM Public Money Act, if applicable.

Findings

None.

2. CAPITAL ASSETS

Procedures

Verify that the local public body is performing a yearly inventory as required by Section 12-6-10 NMSA 1978.

Findings

None.

3. REVENUE

Procedures

Identify the nature and amount of revenue from sources by reviewing the budget, agreements, rate schedules, and underlying documentation.

a) Perform an analytical review; test actual revenue compared to budgeted revenue for the year for each type of revenue.

Test 50% of the total amount of revenues for the following attributes:

b) Amount recorded in the general ledger agrees to the supporting documentation and the bank statement.

c) Proper recording of classification, amount, and period per review of supporting documentation and the general ledger. Perform this revenue work on the same accounting basis that the local public body keeps its accounting records on, cash basis, modified accrual basis, or accrual basis.

Findings

None.

4. EXPENDITURES

Procedures

Select a sample of cash disbursements and test at least 25 transactions and 50% of the total amount of expenditures for the following attributes:

- a) Determine that amount recorded as disbursed agrees to adequate supporting documentation. Verify that amount, payee, date and description agree to the vendor's invoice, purchase order, contract and cancelled check, as appropriate.
- b) Determine that disbursements were properly authorized and approved in compliance with the budget, legal requirements and established policies and procedures. For purposes of performing our procedures, disbursements were considered to be properly authorized if they contained evidence of review such as sign off on invoices or approval through correspondence.
- c) Determine that the bid process (or request for proposal process if applicable), purchase orders, contracts and agreements were processed in accordance with the New Mexico Procurement Code (Section 13-1-28 through 13-1-99 NMSA 1978) and State Purchasing Regulations (1.4.1 NMAC) and Regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC).

Findings

None.

5. JOURNAL ENTRIES

Procedures

If non-routine journal entries, such as adjustments or reclassifications, are posted to the general ledger, test significant items for the following attributes:

- a) Journal entries appear reasonable and have supporting documentation.
- b) The local public body has procedures that require journal entries to be reviewed and there is evidence the reviews are being performed.

Findings

None.

6. BUDGET

Procedures

Obtain the original fiscal year budget and all budget amendments made throughout the fiscal year and perform the following:

- a) Verify, through a review of the minutes and correspondence, that the original budget and subsequent budget adjustments were approved by the local public body's governing body and DFA-LGD.
- b) Determine if the total actual expenditures exceeded the final budget at the legal level of budgetary control; if so, report a compliance finding.
- c) From the original and final approved budgets and general ledger, prepare a schedule of revenues and expenditures – budget and actual on the budgetary basis used by the local public body (cash, accrual or modified accrual basis) for each individual fund.

Findings

None.

OTHER

Procedures

If information comes to the IPA's attention (regardless of materiality) indicating any fraud, illegal acts, noncompliance, or any internal control deficiencies, such instances must be disclose in the report as required by Section, 12-6-6 NMSA 1978. The findings must include the required content per Section 2.2.2.10 (I) (3) (C) NMAC.

Findings

The agreed-upon procedures report for the year ending June 30, 2011 was not submitted by the deadline of December 1, 2011. The village is not in compliance with Section 2.2.2.16 H of the NMAC, Audit Rule 2011. This has been noted as finding 11-1 on page 17 of this report.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the Village's financial reporting to the State Auditor as described above. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Village and the New Mexico Office of the State Auditor and is not intended to be and should not be used by anyone other than those specified parties.

Harshwal & Company LLP
Certified Public Accountants



Albuquerque, New Mexico
January 18, 2012

**SCHEDULE OF REVENUES &
EXPENDITURES - BUDGET AND
ACTUAL (ACCRUAL BASIS)**

STATE OF NEW MEXICO

VILLAGE OF ENCINO

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (ACCRUAL BASIS)

GENERAL FUND

YEAR ENDED JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes:				
Property Tax - Current Year	\$ 1,262	\$ 1,262	\$ 1,169	\$ (93)
Property Tax - Delinquent	118	118	35	(83)
Gross Receipts - Local Option	4,459	4,459	3,868	(591)
Gross Receipts - Environment	190	190	238	48
Intergovernmental - State Shared:				
Gross Receipts	3,858	3,858	4,891	1,033
Cigarette Tax			17	17
Gas Tax [1 cent]	214	214	297	83
Gas Tax [2 cent]	5,004	5,004	5,004	
Motor Vehicle	499	499	492	(7)
Grants - Local	5,000	5,000	7,865	2,865
Small Counties Assistance	35,000	35,000	35,000	
Licenses and Permits	310	310	298	(12)
Charges for Services	1,200	1,200	373	(827)
Miscellaneous	12,500	12,500	6,156	(6,344)
Total Revenues	69,614	69,614	65,702	(3,911)
EXPENDITURES				
Executive - Legislative	1,560	1,560	1,460	100
Finance & Administration	58,345	60,581	60,681	(100)
Highways & Streets	5,004	5,004	5,004	
Total Expenditures	64,909	67,145	67,145	
Net change in fund balances	4,705	2,469	(1,443)	(3,911)
Fund balances, beginning of year	24,884	24,884	24,884	
Fund balances, end of year	\$ 29,589	\$ 27,353	\$ 23,441	\$ (3,911)

STATE OF NEW MEXICO

VILLAGE OF ENCINO

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (ACCRUAL BASIS)

SPECIAL REVENUE FUNDS

YEAR ENDED JUNE 30, 2011

		Budgeted Amounts			
	Fund Number	Original Budget	Final Budget	Actual	Variance
EMS					
	206				
REVENUES					
State EMS Grant	206	\$ 5,363	\$ 5,363	\$ 5,000	\$ (363)
Miscellaneous	206	<u> </u>	<u>3,142</u>	<u>3,505</u>	<u>363</u>
Total Revenues		<u><u>5,363</u></u>	<u><u>8,505</u></u>	<u><u>8,505</u></u>	<u><u> </u></u>
EXPENDITURES					
	206	<u><u>5,363</u></u>	<u><u>8,449</u></u>	<u><u>8,450</u></u>	<u><u>(1)</u></u>
Net change in fund balances			56	55	(1)
Fund balances, beginning of year		1	1	1	
Fund balances, end of year		<u><u>1</u></u>	<u><u>57</u></u>	<u><u>56</u></u>	<u><u>(1)</u></u>
FIRE PROTECTION					
	209				
REVENUES					
State - Fire Marshall Allotment	209	51,600	51,600	50,332	(1,268)
Miscellaneous	209	<u>250</u>	<u>250</u>	<u>395</u>	<u>145</u>
Total Revenues		<u><u>51,850</u></u>	<u><u>51,850</u></u>	<u><u>\$ 50,727</u></u>	<u><u>(1,123)</u></u>
EXPENDITURES					
	209	<u><u>75,980</u></u>	<u><u>75,980</u></u>	<u><u>26,678</u></u>	<u><u>49,302</u></u>
Net change in fund balances		(24,130)	(24,130)	24,049	48,179
Fund balances, beginning of year		47,997	47,997	47,997	
Fund balances, end of year		<u><u>\$ 23,867</u></u>	<u><u>\$ 23,867</u></u>	<u><u>\$ 72,046</u></u>	<u><u>\$ 48,179</u></u>

STATE OF NEW MEXICO

VILLAGE OF ENCINO

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (ACCRUAL BASIS)

ENTERPRISE FUND

YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Water Fund				
Charges for Services	<u>\$ 31,418</u>	<u>\$ 31,418</u>	<u>\$ 30,683</u>	<u>\$ (735)</u>
Total Revenues	<u>31,418</u>	<u>31,418</u>	<u>30,683</u>	<u>(735)</u>
EXPENDITURES				
Water Fund	<u>30,852</u>	<u>30,852</u>	<u>29,278</u>	<u>1,574</u>
Net change in fund balances	566	566	1,405	839
Fund balances, beginning of year	1,468	1,468	1,468	
Fund balances, end of year	<u>\$ 2,034</u>	<u>\$ 2,034</u>	<u>\$ 2,873</u>	<u>\$ 839</u>

STATE OF NEW MEXICO

VILLAGE OF ENCINO

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (ACCRUAL BASIS)

INTERNAL SERVICE/TRUST & AGENCY FUND

YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
TRUST AND AGENCY FUND				
REVENUES				
Miscellaneous Revenues	\$ 120	\$ 194	\$ 194	\$ _____
Total Revenues	<u>120</u>	<u>194</u>	<u>194</u>	<u>_____</u>
EXPENDITURES				
Miscellaneous	<u>120</u>	<u>230</u>	<u>230</u>	<u>_____</u>
Total Expenditures	<u>120</u>	<u>230</u>	<u>230</u>	<u>_____</u>
Net change in fund balances		(36)	(36)	
Fund balances, beginning of year	2,481	2,481	2,481	
Fund balances, end of year	<u>\$ 2,481</u>	<u>\$ 2,445</u>	<u>\$ 2,445</u>	<u>\$ _____</u>

STATE OF NEW MEXICO

VILLAGE OF ENCINO

YEAR-END FINANCIAL REPORT SUBMITTED TO DFA

YEAR ENDED JUNE 30, 2011

DEPARTMENT OF FINANCE AND ADMINISTRATION LOCAL GOVERNMENT DIVISION												
MUNICIPALITY: Encino												
Period Ending: 06/30/2011												
Prepared By: Loreta Chavez												
SUBMIT TO LOCAL GOVERNMENT DIVISION NO LATER THAN 30 DAYS AFTER THE CLOSE OF EACH QUARTER.												
YEAR-TO-DATE TRANSACTIONS												
Fund #	FUND NAME	BEGINNING CASH BALANCE CURRENT FY (1)	REVENUES TO DATE (2)	TRANSFERS TO DATE (3)	EXPENDITURES TO DATE (4)	ADJUSTMENTS (5)	QTR ENDING CASH BALANCE (1)+(2)-(3)+(4)+(5) (6)	INVESTMENTS (7)	CASH + INVESTMENTS (8)	REQUIRED RESERVES (9)	AVAILABLE CASH (8)-(9)	Date
201	GENERAL FUND (GF)	\$24,884	65,702	0	67,145	0	\$23,441	0	\$23,441	5,595	\$17,846	07/02/11
202	CORRECTION	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
202	ENVIRONMENTAL GR	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
206	EMS	\$1	8,505	0	8,449	0	\$56	0	\$56	0	\$56	
207	ENHANCED 911	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
209	FIRE PROTECTION FUND	\$47,997	\$0,727	0	26,678	0	\$72,046	0	\$72,046	0	\$72,046	
211	LEFP	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
214	LODGERS TAX	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
216	MUNICIPAL STREET	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
217	RECREATION	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
218	INTERGOVERNMENTAL GRANT	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
219	SENIOR CITIZEN	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
223	DWI PROGRAM	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
299	OTHER	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
300	CAPITAL PROJECT FUNDS	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
401	G. O. BONDS	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
402	REVENUE BONDS	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
403	DEBT SERVICE OTHER	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
500	ENTERPRISE FUNDS											
	Water Fund	\$1,468	30,683	0	29,278	0	\$2,873	0	\$2,873	0	\$2,873	
	Solid Waste	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
	Waste Water	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
	Airport	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
	Ambulance	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
	Cemetery	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
	Housing	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
	Parking	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
	Other Enterprise (enter fund nam	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
	Other Enterprise (enter fund nam	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
	Other Enterprise (enter fund nam	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
	Other Enterprise (enter fund nam	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
600	INTERNAL SERVICE FUNDS	\$0	0	0	0	0	\$0	0	\$0	0	\$0	
700	TRUST AND AGENCY FUNDS	\$2,481	194	0	230	0	\$2,445	0	\$2,445	0	\$2,445	
GRAND TOTAL		\$76,831	\$155,811	0	\$131,780	0	\$100,861	0	\$100,861	\$5,595	\$95,266	

FORM ACQUIRED 12/09/08 LAST UPDATE: 11/01/2010 2:57 PM

STATE OF NEW MEXICO

VILLAGE OF ENCINO

YEAR-END FINANCIAL REPORT SUBMITTED TO DFA

YEAR ENDED JUNE 30, 2011

MUNICIPALITY: Encino
 Period Ending: 06/30/2011

GENERAL FUND - MUNICIPALITY

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES	BUDGETED AMOUNTS			ACTUALS Y-T-D	ENCUMBRANCES Y-T-D	Variance With Adjusted Budget Positive (Negative)	
	Approved Budget	Budget Adjustments	Adjusted Budget			\$	%
REVENUES							
Taxes:							
Property Tax - Current Year	\$1,262	\$0	\$1,262	\$1,169		(\$93)	92.60%
Property Tax - Delinquent	\$118	\$0	\$118	\$35		(\$83)	29.42%
Property Tax - Penalty & Interest	\$0	\$0	\$0	\$0		\$0	n/a
Oil and Gas - Equipment	\$0	\$0	\$0	\$0		\$0	n/a
Oil and Gas - Production	\$0	\$0	\$0	\$0		\$0	n/a
Franchise Fees	\$0	\$0	\$0	\$0		\$0	n/a
Gross receipts - Local Option	\$4,459	\$0	\$4,459	\$3,868		(\$591)	86.74%
Gross Receipts - Infrastructure	\$0	\$0	\$0	\$0		\$0	n/a
Gross Receipts - Environment	\$190	\$0	\$190	\$238		\$48	125.01%
Gross Receipts - Other Dedication	\$0	\$0	\$0	\$0		\$0	n/a
Intergovernmental - State Shared:							
Gross receipts	\$3,858	\$0	\$3,858	\$4,891		\$1,033	126.78%
Cigarette Tax	\$0	\$0	\$0	\$17		\$17	n/a
Gas Tax [1 cent]	\$214	\$0	\$214	\$297		\$83	138.57%
Gas Tax [2 cent]	\$5,004	\$0	\$5,004	\$5,004		\$0	100.00%
Motor Vehicle	\$499	\$0	\$499	\$492		(\$7)	98.67%
Grants - Federal	\$0	\$0	\$0	\$0		\$0	n/a
Grants - State	\$0	\$0	\$0	\$0		\$0	n/a
Grants - Local	\$5,000	\$0	\$5,000	\$7,865		\$2,865	157.31%
Legislative Appropriations	\$0	\$0	\$0	\$0		\$0	n/a
Small Counties Assistance	\$35,000	\$0	\$35,000	\$35,000		\$0	100.00%
Licenses and Permits	\$310	\$0	\$310	\$298		(\$12)	96.13%
Charges for Services	\$1,200	\$0	\$1,200	\$373		(\$827)	31.04%
Fines and Forfeits	\$0	\$0	\$0	\$0		\$0	n/a
Interest on Investments	\$0	\$0	\$0	\$0		\$0	n/a
Miscellaneous	\$12,500	\$0	\$12,500	\$6,156		(\$6,344)	49.25%
TOTAL GENERAL FUND REVENUES	\$69,614	\$0	\$69,614	\$65,702		(\$3,912)	94.38%
EXPENDITURES							
Executive-Legislative	\$1,560	\$0	\$1,560	\$1,460	\$0	\$100	93.59%
Judicial	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Elections	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Finance & Administration	\$58,345	\$2,236	\$60,581	\$60,681	\$0	(\$100)	100.16%
Public Safety	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Highways & Streets	\$5,004	\$0	\$5,004	\$5,004	\$0	\$0	100.00%
Senior Citizens	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Sanitation	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Health and Welfare	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Culture and Recreation	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Economic Development & Housing	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Airport	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Other - Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	n/a
TOTAL GENERAL FUND EXPENDITURES	\$64,909	\$2,236	\$67,145	\$67,145	\$0	\$0	100.00%
OTHER FINANCING SOURCES							
Transfers In	\$0	\$0	\$0	\$0		\$0	n/a
Transfers (Out)	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL - OTHER FINANCING SOURCES	\$0	\$0	\$0	\$0		\$0	n/a
Excess (deficiency) of revenues over expenditures				(\$1,443)			

STATE OF NEW MEXICO

VILLAGE OF ENCINO

YEAR-END FINANCIAL REPORT SUBMITTED TO DFA

YEAR ENDED JUNE 30, 2011

MUNICIPALITY: Encino
 Period Ending: 06/30/2011

SPECIAL REVENUES - MUNICIPALITY - QUARTERLY REPORT

SPECIAL REVENUES - RESOURCES	Fund	BUDGET			ACTUALS	Encumbrances (expended)	Budget Balance	Budget Variance %
		Approved Budget	Resolutions Adj. Budget	Adjusted Budget	Year to Date Total			
EMS REVENUES	206							
State EMS Grant	206	5,363	0	5,363	5,000	(363)	93.23%	
Miscellaneous	206	0	3,142	3,142	3,505	363	111.54%	
TOTAL Revenues		5,363	3,142	8,505	8,505	(0)	99.99%	
EXPENDITURES	206	5,363	3,086	8,449	8,449	0	100.00%	
OTHER FINANCING SOURCES								
Transfers In	206	0	0	0	0	0	n/a	
Transfers (Out)	206	0	0	0	0	0	n/a	
TOTAL - OTHER FINANCING SOURCES		0	0	0	0	0	n/a	
Excess (deficiency) of revenues over expenditures	206				55			
FIRE PROTECTION REVENUES	209							
State - Fire Marshall Allotment	209	51,600	0	51,600	50,332	(1,268)	97.54%	
Miscellaneous	209	250	0	250	395	145	157.90%	
TOTAL Revenues		51,850	0	51,850	50,727	(1,123)	97.83%	
EXPENDITURES	209	75,980		75,980	26,678	0	35.11%	
OTHER FINANCING SOURCES								
Transfers In	209	0	0	0	0	0	n/a	
Transfers (Out)	209	0	0	0	0	0	n/a	
TOTAL - OTHER FINANCING SOURCES		0	0	0	0	0	n/a	
Excess (deficiency) of revenues over expenditures	209				24,049		n/a	

STATE OF NEW MEXICO

VILLAGE OF ENCINO

YEAR-END FINANCIAL REPORT SUBMITTED TO DFA

YEAR ENDED JUNE 30, 2011

MUNICIPALITY: Encino
 Period Ending: 06/30/2011

ENTERPRISE FUNDS

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES	BUDGETED AMOUNTS			ACTUALS Y-T-D	ENCUMB RANCES Y-T-D	Adjusted Budget Positive (Negative)	
	Approved	Budget	Adjusted			\$	%
	Budget	Adjustments	Budget				
REVENUES							
Water Fund							
Charges for Services	\$31,418	\$0	\$31,418	\$30,683		(\$735)	97.66%
Interest on Investments	\$0	\$0	\$0	\$0		\$0	n/a
Gross Receipts - dedicated	\$0	\$0	\$0	\$0		\$0	n/a
Grants - Federal	\$0	\$0	\$0	\$0		\$0	n/a
Grants - State	\$0	\$0	\$0	\$0		\$0	n/a
Legislative Appropriation	\$0	\$0	\$0	\$0		\$0	n/a
Other	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL REVENUES - Water Fund	\$31,418	\$0	\$31,418	\$30,683		(\$735)	97.66%
EXPENDITURES							
Water Fund	\$30,852	\$0	\$30,852	\$29,278	\$0	\$1,574	94.90%
OTHER FINANCING SOURCES							
Transfers In	\$0	\$0	\$0	\$0		\$0	n/a
Transfers (Out)	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL-OTHER FINANCING SOURCES	\$0	\$0	\$0	\$0		\$0	n/a
Excess (deficiency) of revenues over expenditures				\$1,405			

STATE OF NEW MEXICO

VILLAGE OF ENCINO

SCHEDULE OF FINDINGS AND RESPONSES

YEAR ENDED JUNE 30, 2011

1. Current Year Findings

	<u>Type of Finding</u>	<u>Prior Year Finding Number</u>	<u>Current Year Finding Number</u>
Late submission of the Agreed-Upon Procedures Report	D	10-1	11-1

<u>Follow-up on Prior Year Findings:</u>	<u>Type of Finding</u>	<u>Prior Year Finding Number</u>	<u>Status</u>
Late submission of the Agreed-Upon Procedures Report	D	10-1	Repeat

*** Legend for Findings:**

- A. Fraud
- B. Illegal Act(s)
- C. Internal Control Deficiency(ies)
- D. Noncompliance

STATE OF NEW MEXICO

VILLAGE OF ENCINO

SCHEDULE OF FINDINGS AND RESPONSES

YEAR ENDED JUNE 30, 2011

11-1 Late Submission of the Agreed Upon Procedures Report

Criteria or Specific Requirement: 2.2.2 NMAC, Audit Rule 2011, specifies the deadline for submission of agreed-upon procedures report. Section 2.2.2.16 H stipulates that Village reports are due no later than December 1. Further, Section 2.2.2.9 A (2) requires that submission of a late report shall be reported as current year audit finding in the audit report.

Condition: The agreed-upon procedures report for the year ending June 30, 2011 was not submitted by the deadline of December 1, 2011.

Cause and Effect: There was a delay in submitting the IPA recommendation form and contract to the State Auditor's Office. The Village is not in compliance with Section 2.2.2.16 H of the NMAC, Audit Rule 2011.

Auditors' Recommendations: Management should ensure that contract be executed on a timely manner to ensure that report will be submitted on or before the deadline.

Entity Response: The Village of Encino will be more prepared to submit Audits in time, due to the fact that we will be caught up with our AUP's when the AUP for FY 2011 is completed and accepted by the Office of the State Auditor.

STATE OF NEW MEXICO

VILLAGE OF ENCINO

EXIT CONFERENCE

YEAR ENDED JUNE 30, 2011

The report contents were discussed at an exit conference held on January 12, 2012 with the following in attendance:

Village of Encino

John G Phillips III, Mayor
Loretta Chavez, Clerk/Treasurer

Harshwal & Company LLP

Sanwar Harshwal, CPA
Whitney Cheama, Staff Auditor
Adele Yu, Staff Auditor